



BellSouth Telecommunications, Inc.  
Suite 2104  
333 Commerce Street  
Nashville, TN 37201-3300

Charles L. Howorth, Jr.  
Regulatory Vice President

615 214-6520  
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June 4, 2002

Mr. Joe Werner, Chief  
Telecommunications Division  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee

TARIFF FILING

0200677

RECEIVED

JUN 04 2002

Dear Mr. Werner:

SUBJECT: Tariff Filing for Contract Service Arrangement GA01-5251-00

Attached is a Contract Service Arrangement tariff filing of BellSouth Telecommunications, Inc., issued June 4, 2002. We request that this tariff be effective June 14, 2002.

**General Subscriber Services Tariff A**  
Section A5 - First Revised Page 332

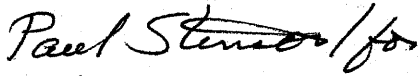
This Contract Service Arrangement is being submitted to the Tennessee Regulatory Authority for review and approval. Details may be found in the Executive Summary which is included with this filing package.

On April 3, 2001, the Authority adopted new Rules in Docket No. 00-00702. In view of the Authority's expressed desire to implement these Rules as the Authority's policy pending final approval, BellSouth filed a tariff to voluntarily comply with these Rules, and that tariff became effective on August 15, 2001. Since these Rules have now been implemented as the Authority's policy, BellSouth is submitting this filing under provisions in those Rules which allow a 10-day interval for the Authority's review and approval of tariffs for special contracts. In addition, notwithstanding language in the CSA to the contrary, the termination liability limitation provisions described above will also apply in the event of early termination of contracts for discount-eligible tariffed services associated with this CSA.

(2)

We appreciate your returning a receipted copy as evidence of this tariff filing. Please call Paul Stinson at 214-3839 if you have questions or wish to discuss.

Yours truly,

A handwritten signature in cursive script that reads "Paul Stinson" followed by a stylized flourish or initials.

Attachment

**EXECUTIVE SUMMARY**  
**GA01-5251-00**

**INTRODUCTION**

The purpose of this filing is to introduce a Contract Service Arrangement that provides the customer with discounts in exchange for the Customer's agreement to attain an Annual Revenue Commitment.

**DESCRIPTION OF CONTRACT SERVICE ARRANGEMENT**

This Contract Service Agreement provides for a maximum discount of 15% on billing for discount eligible services as listed in the contract included with this filing for a term of 3 years. Descriptions of these discount eligible services are listed in Sections A3, A6, A12, A13, and A42 of the General Subscriber Services Tariff. The applicable terms and conditions are also contained in the contract included with this filing.

**REVENUE AND COST INFORMATION**

Revenue and cost information associated with this contract is filed under separate cover and is subject to a proprietary agreement.

## A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

### A5.6 Contract Service Arrangements (Cont'd)

#### A5.6.1 Rates and Charges (Cont'd)

- A. The following is a listing of rates and charges to subscribers requiring contract service arrangements: (Cont'd)

**Case No. TN02-D284-00**

This Contract Service Arrangement provides for BellSouth® Primary Rate ISDN – Inward Data Option with Extended Reach – Final Route service for a minimum service period of twenty-four (24) months. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

- (1) BellSouth® Primary Rate ISDN service

	Nonrecurring Charge	24 Months Monthly Rate	USOC
(a) Access Line, each	\$-	\$130.00	1LD1E
(b) Interface, each – Inward Data Option with Extended Reach Service – Final Route	-	375.00	PR71U
(c) B-Channel, each – Inward Data Option with Extended Reach Service – Final Route	-	40.00	PR7BL
(d) Inward Data option – Each Remote Telephone Number Requested Inward only with Extended Reach Service – Final Route	-	20.00	PR7RM
(e) Inward Data Option – Each Final Telephone Number Requested Inward only with Extended Reach Service	-	20.00	PR7L2

**Case No. GA01-5251-00**

This Contract Service Arrangement provides a fifteen percent (15%) discount on eligible tariffed services. Discount eligible services are found in Sections A3., A6., A12., A13., and A42. of this Tariff. In order to be eligible for this discount, the customer has agreed to attain an Annual Revenue Commitment on a regional basis. The duration of this Agreement is three years. Additional terms and conditions that are specific to this contract have been filed with the Tennessee Regulatory Authority and will be made available to interested customers.

(N)

(N)

## VOLUME AND TERM AGREEMENT

This Volume and Term ("V&T") Agreement ("Agreement") is entered into by and between BellSouth Telecommunications, Inc., a Georgia corporation ("BellSouth") and [REDACTED] on behalf of itself and its affiliated companies (hereinafter collectively referred to as "The [REDACTED]" or "Customer") as set forth herein.

### I. DEFINITIONS

A. A "V&T" Agreement is a customized Contract Service Arrangement ("CSA") with respect to various local and intraLATA services purchased by The [REDACTED] from BellSouth in the telephone exchanges served by BellSouth in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee. This Agreement provides the Customer certain levels of discounts on identified local and intraLATA services based upon the Customer's commitment to and attainment of an Annual Revenue Commitment in accordance with the requirements described in this Agreement.

B. "Annual Revenue Commitment" is the agreed upon amount of billing each year to The [REDACTED] by BellSouth for BellSouth's regulated services that represent the billing The [REDACTED] agrees to achieve for purposes of this Agreement. The [REDACTED] Annual Revenue Commitment is included in Appendix II of this Agreement.

C. "Baseline" is the annualized billing to The [REDACTED] for BellSouth regulated services during each year that is used to calculate the Annual Revenue Commitment. Baseline in subsequent years shall be the aggregate billing for the previous 12 month period prior to the application of any Discount.

D. "Discount Level" is the percentage reduction applied to the monthly billed revenue for the BellSouth services that are Discount Eligible and for which billing has occurred or will occur during the current billing period.

E. "V&T Eligible Services" include all regulated services purchased by The [REDACTED] whose billing is used to calculate Annual Revenue Commitment. Billing for non-

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recurring charges, directory assistance, measured or message local service, taxes, and publicly imposed surcharges including but not limited to the surcharges for 911 service and dual party relay service, is not considered V&T Eligible and was not used to calculate the Annual Revenue Commitment. V&T Eligible Services are listed in Appendix III which may be amended as Customer adds additional services. Should one of the services listed on Appendix III become deregulated and no longer subject to the terms and conditions of this Agreement, the Annual Revenue Commitment will be reduced proportionate to the deregulated service.

F. "Discount Eligible Services" include all BellSouth local and intraLATA services purchased by The [REDACTED] that are appropriate for a percentage reduction off the existing monthly billed revenue as mutually agreed to by The [REDACTED] and BellSouth. The Discount Eligible Services are listed in Appendix I.

G. "Effective Date" is the date the Agreement has been executed by both parties.

H. "A Contract Year" is the twelve-month period during the term of this Agreement beginning with the Effective Date of the Agreement. This date shall also establish the anniversary date for this Agreement.

I. The "Term" of this Agreement shall be 3 years. If BellSouth receives notification from Customer anytime during the twenty-fifth month of the contract of the intent to terminate this Agreement, the contract will be terminated at the end of the twenty-sixth month from the Effective Date of the contract and termination penalties as specified in section X will not apply. Notification received either before the beginning of the twenty-fifth contract month or anytime after the end of the twenty-fifth contract month will result in termination penalties in accordance with section X.

## II. ANNUAL REVENUE COMMITMENT

A. The [REDACTED] and BellSouth agree to an Annual Revenue Commitment in the first Contract Year of the Agreement of \$756,000.00. The Annual Revenue Commitment represents 90 percent of The [REDACTED]'s Baseline billing for 2000/2001. The [REDACTED] and BellSouth also agree to determine The [REDACTED]'s Annual Revenue Commitment at the beginning of Contract Years two (2) and three (3). The Annual Revenue Commitment for each Contract Year shall be expressed as

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90 percent of the Baseline billing for the previous Contract Year, except for the first Contract Year where the Annual Revenue Commitment shall be expressed as 90 percent of the Baseline billing agreed to by BellSouth and Customer.

B. BellSouth and The [REDACTED] agree that all recurring charges for V&T Eligible Services billed by BellSouth to The [REDACTED] during each year of the Agreement shall be applied toward the Annual Revenue Commitment. The [REDACTED]'s progress toward meeting the Annual Revenue Commitment will be tracked by BellSouth and measured in pre-discounted billed dollars.

C. In the event the Annual Revenue Commitment is adjusted due to a Business Change, as defined in Section XI below, Higher Order of Service, or Tariff Change as defined herein, The [REDACTED] shall be permitted to reduce its Annual Revenue Commitment by an amount equal to the adjustment made during the V&T Annual True-Up (as defined herein). The Annual Revenue Commitment levels contained in Appendix II shall be reduced by an amount equal to the adjustment made during the V&T Annual True-Up.

D. In the event a local or regional unit of [REDACTED] has entered into a Term and Volume agreement or other similar agreement with BellSouth, this Agreement will supercede such unit agreement which shall be terminated without penalty of any kind to [REDACTED]

### III. DISCOUNT LEVELS

A. BellSouth shall apply a discount that is a percentage reduction off the monthly billed revenue for the total billed revenue associated with the Discount Eligible Services beginning on the first day of the month at the beginning of the Contract Year and shall continue such reduction through the contract term. BellSouth shall begin to apply the Discount on the first billing cycle of the Effective Date. The Discount Level shall be based on the Annual Revenue Commitment and is provided in Appendix II.

B. Charges billed pursuant to the Federal or State Access Services tariffs, billing for taxes or publicly imposed surcharges, including but not limited to, the surcharges for 911 or dual party relay services, Local Usage, Special Service Arrangements, Contract Service Arrangements, WATSSaver,

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and End User Common Line Charges, are not eligible for the application of the discount. Billing associated with certain services may not be eligible for the application of a discount in order to maintain compliance with applicable regulatory and legal requirements.

#### IV. ANNUAL GROWTH INCENTIVE AWARD

If [REDACTED] exceeds its Baseline by more than 10 percent during any Contract Year, [REDACTED] will receive an additional credit called the Annual Growth Incentive Award ("AGIA"). The AGIA shall equal 1% of the discount eligible services of the current contract year. If [REDACTED] exceeds its Baseline by more than 20 percent during any Contract Year, [REDACTED] will receive an additional credit called the Annual Growth Incentive Award ("AGIA"). The AGIA shall equal 2% of the discount eligible services of the current contract year. The AGIA shall not exceed \$20,000. The AGIA will be calculated and applied at the time of the V&T Annual True-up. AGIA credits resulting from Annual True-up will be applied within 30 days of the completion of the Annual True-Up.

#### V. REGULATORY CONSIDERATIONS

A. The [REDACTED] recognizes and agrees that this Agreement is not intended to replace or supersede existing tariffs and that all services that are included under the V&T Agreement will be purchased in accordance with the approved BellSouth General Subscriber Services Tariff and Private Line Services Tariff in effect in each state. The provisions of such tariffs applicable to the services shall apply unless and except to the extent this Agreement contains express provisions specifically in conflict therewith (in which case the express provisions of this Agreement shall control to the extent permitted by applicable law.)

B. The [REDACTED] acknowledges that BellSouth may be required to file and obtain approval of the V&T Agreement in certain states prior to the implementation of the V&T offering. BellSouth agrees to begin any necessary filings within 30 calendar days after the Effective Date. In the event the V&T Agreement is denied by a regulatory agency in any state or by another regulatory body with jurisdiction over this matter, this Agreement shall be null and void and of no effect in that state. The Annual Revenue Commitment for this Agreement will be reduced by the amount of revenue generated in that state.

#### VI. COMMITMENT SHORTFALL

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The [REDACTED] agrees that if it fails to meet its Annual Revenue Commitment during a given Contract Year, BellSouth shall notify and The [REDACTED] agrees to pay the discounted difference between the actual billed revenue for the current Contract Year and its Annual Revenue Commitment. BellSouth will provide notice to The [REDACTED] of the commitment shortfall. If BellSouth has failed to notify The [REDACTED] of a potential shortfall in accordance with section XV Reporting during the Contract Year, the Commitment Shortfall will be waived. Should a Commitment Shortfall be assessed, BellSouth agrees to reduce the percentage reduction off the monthly billed revenue as specified in Section III so that the Commitment Shortfall is recovered equally over a twelve month period.

#### **VII. PROVISION FOR DISCOUNTING ADDITIONAL AND NEW SERVICES UNDER V&T**

For the purposes of this Agreement an Additional Service is an intraLATA service that is tariffed by BellSouth on the Effective Date of this Agreement and is not considered a Discount Eligible intraLATA Service. A New Service is an intraLATA service that has been tariffed by BellSouth after the Effective Date of the V&T Agreement. Customer may submit a request to BellSouth to obtain and BellSouth may grant to Customer the discount specified on Appendix II on the Additional Service or New Service under the Agreement subject to regulatory approval.

#### **VIII. ACQUISITION OF NEW BUSINESSES**

In the event The [REDACTED] acquires a new business or operation within the BellSouth service area during the term of this Agreement and desires to include the services under the existing V&T Agreement, BellSouth and The [REDACTED] shall review such request and in the event it is mutually determined that the inclusion of these services is appropriate, the parties shall amend this Agreement and the Annual Revenue Commitment Level in Appendix II, as appropriate to include such services in the V&T Agreement. Any revisions due to acquisition will be made during the V&T Annual True-Up at the end of the year in which the acquisition occurred, and will affect the Annual Revenue Commitment for future years.

#### **IX. AUTHORIZED USERS**

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The [REDACTED] recognizes and agrees that the services included in this Agreement are specifically restricted to the use of The [REDACTED] and its affiliates. In particular, the V&T Agreement is intended for the internal use of The [REDACTED] and its affiliates and the resale of services included in this Agreement is strictly prohibited.

#### **X. TERMINATION LIABILITY**

If The [REDACTED] desires to terminate the V&T Agreement prior to its expiration, The [REDACTED] must provide BellSouth written notice of such termination 60 days prior to the effective date of termination. Termination liability will be in accordance with the following:

If written notice of termination is delivered to BellSouth to be effective at the end of a contract year, BellSouth will bill Company the following termination charges:

The amount of discounts received for the life of this Agreement or for the previous 12 months, whichever is less, and

The prorated portion of the Agreement implementation and tracking costs, calculated as follows:

Prorated Implementation and Tracking Costs = \$20,295.00 x (Contract Months Remaining/Total Contract Months)

The application of termination charges pursuant to this Section shall not affect the application of termination charges pursuant to the tariff or any other agreement.

Customer acknowledges that it has options for its telecommunications services from service providers other than BellSouth and that it has chosen BellSouth to provide the services included in this Agreement. Customer, therefore, agrees that if it terminates this Agreement or the services provided pursuant to this Agreement, Customer will be responsible for termination charges set forth in X. (A) and X. (B) above. Customer, however, will not be responsible for termination charges if a certified reseller of BellSouth local service resells this Agreement to Customer and such reseller executes a written document agreeing to assume all of Customer's obligations to BellSouth under the Agreement.

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## **XI. BUSINESS CHANGE**

In the event of a divestiture of a significant part of The [REDACTED] business, a business downturn, closure of locations, or a network optimization using other BellSouth services, (hereinafter collectively referred to as "Business Change"), any of which significantly reduces the volume of network services required by The [REDACTED] with the result that The [REDACTED] is unable to meet its Annual Revenue Commitment under this Agreement (notwithstanding [REDACTED]'s best efforts to avoid such a shortfall), BellSouth and The [REDACTED] will cooperate to reduce the Customer's Annual Revenue Commitment to the extent of any shortfall resulting from the Business Change. This provision shall not apply to a change resulting from a decision by The [REDACTED] to transfer portions of its traffic or projected growth to providers other than BellSouth. The [REDACTED] must provide BellSouth written notice of the conditions it believes will require the application of this provision. This provision does not constitute a waiver of any charges, including shortfall charges, incurred by The [REDACTED] prior to the time the parties mutually agree to amend this Agreement. This provision does not affect the application of termination charges pursuant to the tariff or other agreements.

## **XII. HIGHER ORDER OF SERVICE**

BellSouth may offer to The [REDACTED] new technological features and capabilities which will provide additional value to the Customer with higher functionality and increased capacity ("Higher Order of Service"). In the event The [REDACTED] elects to incorporate such a Higher Order of Service into its network design, and the use of such Higher Order of Service results in The [REDACTED] being unable to meet its Annual Revenue Commitment under this Agreement, then, subject to all applicable regulatory requirements, BellSouth agrees to reduce The [REDACTED]'s Annual Revenue Commitment to the extent of any shortfall resulting from the migration to a Higher Order of Service.

## **XIII. TARIFF CHANGES**

If during the term of this Agreement, BellSouth requests and receives regulatory approval for price reductions on tariff services purchased by The [REDACTED] and such price

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reductions cause The [REDACTED] to be unable to meet its Annual Revenue Commitment under this Agreement, then subject to applicable regulatory requirements, BellSouth agrees to reduce The [REDACTED] Annual Revenue Commitment to the extent of the shortfall resulting from the price reduction(s).

#### XIV. ANNUAL TRUE-UP

At the end of each Contract Year, BellSouth will conduct a review of The [REDACTED] revenue to determine if The [REDACTED] achieved its Annual Revenue Commitment ("Annual True-Up"). During the Annual True-Up, BellSouth will calculate any Commitment Shortfall in accordance with Section VI and determine The [REDACTED] Baseline billing for the following year in accordance with Section I.C. During the Annual True-Up, BellSouth and The [REDACTED] can also propose any adjustments to the Annual Revenue Commitment. Finally, during the Annual True-Up, BellSouth and [REDACTED] will determine the Annual Revenue Commitment for the new Contract Year in accordance with Section II.C.

The [REDACTED] and BellSouth agree that any credit resulting from the Annual True-Up may be applied as a credit on the BellSouth bill for local and intraLATA services or in a check. Further, any debit resulting from the Annual True-Up for failure to meet the Annual Revenue Commitment or Termination Liability will be recovered by BellSouth by reducing the percentage off the monthly billed revenue as specified in Section III until the debit is recovered.

#### XV. REPORTING

BellSouth will provide quarterly reporting sixty days after the end of each quarter to [REDACTED] that will reflect Customer's year-to-date attainment of Annual Revenue Commitment and discounts received year to date.

#### XVI. MISCELLANEOUS

- A. This offer shall expire on November 30, 2001.

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B. The [REDACTED] and BellSouth will be jointly responsible for the identification of The [REDACTED] accounts that are V&T Eligible [REDACTED] and BellSouth agree that BellSouth will not be responsible for failure to apply a discount to a V&T eligible account if such failure results from The [REDACTED] failure to identify such account. Additional V&T eligible accounts may be added only by mutual agreement of the parties. BellSouth will not unreasonably withhold consent to add V&T eligible accounts. [REDACTED] will provide a written list of the V&T eligible accounts within 10 business days after the Effective Date of the Agreement.

C. This Agreement shall be construed in accordance with the laws of each state where the service is provided unless otherwise provided.

D. Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received and shall be sufficient if given in writing, delivered by hand, facsimile, overnight mail delivery, or United States mail, postage prepaid, addressed to the appropriate party at the address set forth below. Either party hereto may change the name and address to which all notices or other documents required under this Agreement must be sent at any time by giving written notice to the other party. Current addresses are:

BellSouth

Vice President & General Manager  
BellSouth Business Systems  
2180 Lake Blvd.  
Atlanta, Georgia 30319

Customer

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

E. In the event that one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any respect under any statute, regulatory requirement, or rule of law, then such

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provisions shall be considered inoperative to the extent of such invalidity, illegality or unenforceability, and the remainder of this Agreement shall continue in full force and effect.

F. Each party agrees to submit to the other all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement or to the services provided under this Agreement wherein corporate or trade names, logos, trademarks, or service marks of the other party or any of its affiliated companies are mentioned or wherein there is language from which a connection to said names or marks may be inferred. Each party further agrees not to publish or use such advertising, sales promotions, press releases, or publicity matters without the other party's prior written approval.

G. Customer may not assign its rights or obligations under this Agreement without the prior written consent of the Company. Such consent shall not be unreasonably withheld.

H. Customer intends to participate in the future in an e-commerce group buying opportunity and may wish to transfer or assign its rights and obligations under this Agreement as a part of such plan. If Customer requests in writing that BellSouth transfer or assign the service to another entity, subject to the applicable Tariff provisions, BellSouth will transfer or assign the rights and obligations covered by this Agreement provided that prior to agreeing to any such transfer or assignment, Customer provides BellSouth with adequate documentation or other assurances reasonably satisfactory to BellSouth that Customer remains responsible for payment of all services provided under this Agreement, or the entity the Customer desires to transfer or assign this Agreement to provides adequate documentation or other assurance to BellSouth that such entity will assume all obligations under this Agreement and is financial able to satisfy all such obligations. In the event this Agreement is assigned, termination liabilities as specified in section X will not apply.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representative on the dates set forth below.

[Redacted Signature]

BY: [Redacted Signature]

BELLSOUTH TELECOMMUNICATIONS, INC.  
By: BellSouth Business Systems, Inc.

BY: [Signature]

Initials: \_\_\_\_\_ Date: \_\_\_\_\_

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Printed Name

Printed Name

BY:

Authorized Signature

BY:

Authorized Signature

TITLE:

Vice President and GM

DATE:

12/14/01

DATE:

12-14-01

ATTEST:

ASST SECRETARY

SOUTH CAROLINA ADDENDUM

By accepting this BellSouth Agreement, the Subscriber to the service acknowledges that the Agreement has been executed in response to a competitive offer from another telecommunications service provider.

Customer:

By:

Title:

Printed Name:

Date:

VICE PRESIDENT & CO

ATTEST:

ASST SECRETARY

Initials:

Date:

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## **Appendix I Discount Eligible Services**

BACK-UP LINE  
BUS PLUS/BUS CHOICE  
CUSTOM CALLING  
DID  
DIR. WHITE PAGE SVCS  
ENHANCED CALLERID (ST-UP)  
EXPND AREA CALLING - BUS  
FLAT RATE BUSINESS  
FLAT RATE PBX TRUNKS/NARS  
MSG/MEAS RATE BUS  
MSG/MEAS RATE PBX  
NARs - ESSX / Digital ESSX Service  
NON LIST/NON PUBLISHED SVCS  
OPT CALL PLAN (OCP)  
PRESTIGE  
ISDN INDIVIDUAL LINE  
REMOTE CALL FWD  
SYNCHRONET  
TOUCHSTAR

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**Appendix II ANNUAL REVENUE COMMITMENT**

**3 Year Agreement:**

<b><u>Contract Year</u></b>	<b><u>Annual Revenue Commitment</u></b>	<b><u>Discount Level</u></b>
1	\$756,000	15.0%
2 & 3	90% of the prior Contract Year's Baseline billing.	15.0%

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### Appendix III, V&T Eligible Services

BACK-UP LINE  
BUS PLUS/BUS CHOICE  
CUSTOM CALLING  
DID  
DIR. WHITE PAGE SVCS  
ENHANCED CALLERID (ST-UP)  
EXPND AREA CALLING - BUS  
FLAT RATE BUSINESS  
FLAT RATE PBX TRUNKS/NARS  
MSG/MEAS RATE BUS  
MSG/MEAS RATE PBX  
NARs - ESSX / Digital ESSX Service  
NON LIST/NON PUBLISHED SVCS  
OPT CALL PLAN (OCP)  
PRESTIGE  
ISDN INDIVIDUAL LINE  
REMOTE CALL FWD  
SYNCHRONET  
TOUCHSTAR

BELLSOUTH CMRS  
ALARM & CONTROL CKT  
ANALOG DATA SERVICE  
OFF PREM EXT (OPX)  
VOICE GD NON-DATA  
COMP  
END USER COMMON LINE CHARGE  
ESSX  
INSIDE WIRE - BASIC  
ISDN INDIVIDUAL LINE  
LOCAL NUMBER PORTABILITY  
VOICE MAIL & MESSAGING  
800 SERVICE  
SPECIAL ASSEMBLY  
CATEGORY X REVENUE  
AMU  
INTRALATA TOLL  
WATS 800

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**TENNESSEE ADDENDUM**  
**CSA No.**

1. Customer and BST acknowledge that various competitive alternatives are available to Customer in the State of Tennessee, including competitive alternatives to services provided herein, as evidenced by one or more of the following:
  - A. Customer has received offers for comparable services from one or more other service providers, including US LEC and NewSouth;
  - B. Customer is purchasing or has purchased comparable services from one or more other service providers, including AT&T ;
  - C. Customer has been contacted by one or more other service providers of comparable services, including US LEC and NewSouth; and
  - D. Customer is aware of one or more other service providers from whom it can currently obtain comparable services, including US LEC and NewSouth.
2. Customer and BellSouth agree that Customer's early termination of the Agreement without cause will result in damages that are indeterminable or difficult to measure as of this date and will result in the charging of liquidated damages as specified in this paragraph of this Addendum. Notwithstanding any provisions in the Agreement to the contrary, Customer and BellSouth agree that with regard to services provided within the State of Tennessee, this Paragraph of this Addendum sets forth the total amounts of liquidated damages the Customer must pay upon early termination of the Agreement without cause will be the lesser of the following:
  - a. the amount specified in Section X of this Agreement; or
  - b. the total of the repayment of discounts received during the previous twelve (12) months of service, the repayment of the prorated amount of any waived or discounted nonrecurring charge, and the repayment of the prorated amount of any documented contract preparation, implementation, and tracking charges; or
  - c. six percent (6%) of the total Agreement amount; or
  - d. twenty-four percent (24%) of the average annual revenues of the Agreement if the term of the Agreement is longer than four (4) years.

Customer and BellSouth agree that these amounts represent a reasonable estimate of the damages BellSouth would suffer as a result of such early termination and that these amounts do not constitute a penalty. The termination charge limitations described in this Paragraph will also apply in the event of early termination with regard to tariffed term plans and special contracts underlying this Agreement provided within the State of Tennessee, notwithstanding any other provisions in the Agreement to the contrary.

3. Customer and BST acknowledge and confirm their understanding that:
  - (a) Customer's agreement to pay the difference between the actual billed revenue for its V&T Eligible Services and its contract revenue commitment, as set forth in the CSA, does not apply upon Customer's early termination of the CSA; and

(b) Customer must therefore pay only the amount calculated in accordance with this Tennessee Addendum for services provided within the State of Tennessee upon early termination of the CSA.

4. In the event that the customer terminates this tariff term plan without cause prior to the expiration of this term plan, the Customer shall pay a termination charge as specified in the BellSouth tariffs (Section A2.4.10.E.1 and B2.4.9.A.4, available on the Web at <http://cpr.bellsouth.com/pdf/tn/tn.htm>). The Customer may request a calculation of the termination charge at any time during the term of this contract. Based on the information available at the start of this contract, at the end of the first six (6) months of the contract period and for each six (6) month period thereafter, the estimated amount of the termination liability charge will be \$136,080. In any event, the estimated termination liability charge will not exceed this amount. Should the Customer elect to terminate this contract prior to the expiration date without cause, the actual termination charge will be calculated in accordance with the tariffs referenced above and based on information available at the time of termination.

BY: \_\_\_\_\_

Printed Name

BY: \_\_\_\_\_

Authorized Signature

TITLE: Vice President & CIODATE: 5/1/02

ATTEST: \_\_\_\_\_

Assistant Secretary

BellSouth Telecommunications, Inc.

BY: Lisa C. Wittenberg

Printed Name

BY: Lisa C. Wittenberg

Authorized Signature

TITLE: ARP-SalesDATE: 5/20/02